

GOVERNMENT OF THE DISTRICT OF COLUMBIA
OFFICE OF THE CHIEF FINANCIAL OFFICER



Natwar M. Gandhi
Chief Financial Officer

September 16, 2002

The Honorable Anthony A. Williams
Mayor of the District of Columbia
1350 Pennsylvania Avenue, NW – 6th Floor
Washington, DC 20004

The Honorable Linda W. Cropp
Chairman
Council of the District of Columbia
1350 Pennsylvania Avenue, NW – Suite 504
Washington, DC 20004

Dear Mayor Williams and Chairman Cropp:

I am pleased to present to you the September 2002 certified estimates and projections supporting the District's FY 2003 Budget and Financial Plan. The total Local Source General Fund revenues of the District of Columbia for FY 2003 are estimated to be \$3,499.0 million. Additionally, there are Federal Project Funds totaling \$33.0 million; Grants totaling \$1,712.5 million; and Private/Other revenues totaling \$209.4 million. The changes in expected revenue as compared to the May estimates for FY 2003-2006 are as follows:

	FY 2003	FY 2004	FY 2005	FY 2006
September 16, 2002 Estimate	\$3,499.0M	\$3,571.2M	\$3,660.6M	\$3,748.0M
May 6, 2002 Estimate	\$3,784.2M	\$3,863.4M	\$3,994.6M	\$4,091.5M
Decline in Estimate	(285.2M)	(292.2M)	(334.0M)	(343.5M)
Medicaid Revenue Revision	(37.5M)	(25.8M)	(15.3M)	(7.4M)
Total Local Source and Medicaid Revision	(322.7M)	(318.0M)	(349.2M)	(350.9M)

For FY 2003 the estimates assume no tax cuts from the Tax Parity Act. For FY 2004-2006, the estimates assume that the Tax Parity Act proceeds with a one-year delay.

If you have any questions regarding this matter, please contact me on (202) 727-0065.

Sincerely,

A handwritten signature in black ink, appearing to read 'Natwar M. Gandhi', is written over a horizontal line.

Natwar M. Gandhi
Chief Financial Officer

Enclosures

DISTRIBUTION LIST

Councilmember Harold Brazil (At-Large)
Councilmember Carol Schwartz (At-Large)
Councilmember David Catania (At-Large)
Councilmember Phil Mendelson (At-Large)
Councilmember Jim Graham (Ward 1)
Councilmember Jack Evans (Ward 2)
Councilmember Kathleen Patterson (Ward 3)
Councilmember Adrian Fenty (Ward 4)
Councilmember Vincent Orange (Ward 5)
Councilmember Sharon Ambrose (Ward 6)
Councilmember Kevin Chavous (Ward 7)
Councilmember Sandra Allen (Ward 8)
John Koskinen, Deputy Mayor and City Administrator
Deborah K. Nichols, District of Columbia Auditor
Artie Blitzstein, Budget Director, Council of the District of Columbia

FY 2003 - 2006 Estimates and Projections
(thousands of dollars)

Revenue Source	FY 2003 Rev. (9/02)	FY 2004 Proj.	FY 2005 Proj.	FY 2006 Proj.
Property	852,211	913,816	965,730	1,006,851
Sales	696,044	735,344	764,752	795,441
Income	1,116,893	1,125,116	1,127,111	1,127,246
Gross Rec.	243,930	250,798	260,407	270,005
Other Taxes	196,399	190,034	196,563	202,332
TOTAL TAXES	3,105,477	3,215,108	3,314,563	3,401,875
TOTAL NON-TAX	236,671	241,840	252,124	251,100
Lottery	70,900	71,800	72,600	72,600
GENERAL FUND	3,413,048	3,528,748	3,639,287	3,725,575
Mayor/Council Revenue Initiatives	52,959	42,417	21,374	22,431
ADJUSTED GENERAL FUND	3,466,007	3,571,165	3,660,661	3,748,006
Federal Project Funds	33,000	0	0	0
Gen. Fund w/Fed. Proj	3,499,007	3,571,165	3,660,661	3,748,006
Change from May Estimates	(285,224)	(292,276)	(333,941)	(343,492)
Medicaid Revenue Revision	(37,500)	(25,800)	(15,300)	(7,400)
General Fund & Medicaid Revision	(322,724)	(318,076)	(349,241)	(350,892)